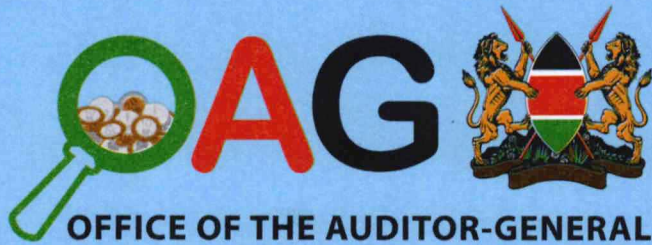


REPUBLIC OF KENYA



Enhancing Accountability

REPORT THE NATIONAL ASSEMBLY
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**JEREMIAH NYAGAH NATIONAL
POLYTECHNIC**

**FOR THE YEAR ENDED
30 JUNE, 2025**



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JEREMIAH NYAGA NATIONAL POLYTECHNIC

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30TH JUNE 2025**

Prepared in accordance with the Accrual Basis of Accounting Method under the International Public Sector Accounting Standards (IPSAS)

Jeremiah Nyaga National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2025

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1. Acronyms and Definition of Key Terms

A. Acronyms

IPSAS	International Public Sector Accounting Standards
CDACC	Curriculum Development, Assessment and Certification Council
CoG	Council of Governors
COVID – 19	Corona Virus
CSR	Corporate Social Responsibility
ECL	Expected Credit Level
FY	Financial Year
HELB	Higher Education Loan Council
HoD	Head of Department
IEBC	Independent Electro Boundary Commission
ICT	Information Communication Technology
ICPAK	Institute Of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
KNEC	Kenya National Examination Council
KRA	Kenya Revenue Authority
JNNP	Jeremiah Nyaga National Polytechnic
NBV	Net Book Value
NGAAF	National Government Affirmative Action Fund
NGCDF	National Government Constituency Development Fund
NITA	National Industrial Training Authority
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Council
TVC	Technical Vocational College
TVET	Technical Vocational Education Training
MoE	Ministry Of Education
SAGA	Semi Automatous Government Agencies

B. Definition of Key Terms

Fiduciary Management - Members of Management directly entrusted with the national polytechnic 's financial resources.

Comparative Year- Means the prior period.

2. Key National Polytechnic Information and Management

(a) Background information

The polytechnic was established under the TVET Act in year 1984. The polytechnic is domiciled in Kenya and is under the Ministry of Education.

Jeremiah Nyaga National Polytechnic (JNNP) is a public National Polytechnic under the state Department of Vocational and Technical Training in the Ministry of Education. The (JNNP) was established in 1984 as a vocational training college on a 58 acre piece of land donated by the local community. This was made possible through the efforts of the late Hon. J. J. M. Nyaga

The Polytechnic derives its mandate from the Technical and Vocational Training Education Act of 2013. The management of the Polytechnic is under a Governing Council appointed by the Cabinet Secretary, Ministry of Education.

The Chief Principal is the Secretary to the Governing Council and the Chief Executive Officer of the JNNP. The Chief Principal is in charge of the day-to-day running of the Polytechnic and is assisted by two Deputy Principals, Registrar, and Dean of students and Heads of departments.

The JNNP offers training in Competence Based Education Training (CBET) in all courses and course levels. The courses are offered in nine academic departments namely Mechanical Engineering, Building and Civil Engineering, Business and Entrepreneurship Studies, Electrical and Electronics Engineering, Hospitality and tourism, Fashion Design and cosmetology, Applied Science, Computing and Informatics and Agriculture and Environmental studies. Other support departments include Examinations, Guidance & Counselling, Industrial Liaison, Office of Career Services, Games and Sports, Performance Contract, Research and Quality Assurance

(b) Principal Activities

The principal activity/mission/ mandate of the polytechnic is to training technical courses.

Vision

Centre of excellence for vocational and Technical Training

Mission

To provide quality, vocational and technical training

Core Functions

- a) Manage and administer Science, Technology and Technical education activities.
- b) Integrate Science, Technology and Innovation in National Development
- c) Promote research Science & Technology, development of human resource base.
- d) Monitor and evaluate Scientific, technological and technical education activities in Kenya.
- e) Formulate review and co-ordinate National Science, Technology and Technical Education policies.

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Annual Report and Financial Statements for the year ended 30th June 2025

(c) Core Mandate

- a) Offer training programmes in Science and Technology through a developed curriculum.
- b) Promote education through provision of knowledge, skills and practical attitudes to trainees.
- c) Diversify training programmes in the area of TVET.
- d) Develop income generating production units for self-sustainability.
- e) Develop policy frame work for collaboration with other institutions offering higher academic levels of education in Science and Technology.
- f) Create a Center of Excellence in Food and Beverage production and Service.

(d) Key Management

The polytechnic's day-to-day management is under the following key organs:

- a) Council members
- b) Accounting officer/ Principal
- c) Deputy principal administration and academic
- d) Heads of department academic and non-academic

(e) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2025 and who had direct fiduciary responsibility were:

SN.	Designation	Name
1.	Principal	Mr. Simon C. Kivutih
2.	Deputy principal Finance	Mr. Silvano Muriithi
3	Deputy principal Academics	Mrs. Wandia N. Kithenya
4	Registrar	Mr. Nicholas Wanjogu
5	Dean of students	Mr. Martin Njuguna
6	Head of Finance	CPA Jeremiah Gachoki
7	Head of Procurement	Mr. Antony Kinyua

(f) Fiduciary Oversight Arrangements

Council Committees

To assist the Council in the discharge of its responsibilities, Council committees have been established. All the Council committees meet at least four times a year. The committees are as follows: -

i. Finance, planning and development committee

Responsibilities:

- a. To receive, consider and submit the proposed budget estimates from the various Polytechnic department for approval by the Council ;
- b. To receive and consider all requests for authorization of expenditure more than the approved annual estimates and make recommendations to the Council ;
- c. To report to the Council all matters related to finance and development;
- d. To ensure that accurate records are kept on the establishments in the Polytechnic;
- e. To consider and recommend to the Council the priority development projects and receive reports, and the recommendations of Management on the progress of the physical development of the Polytechnic;
- f. To report to the Council on the progress of physical infrastructure development of the Polytechnic;
- g. To prepare Polytechnic Development plans for an approved period and submit to the Council ; and
- h. To exercise such other powers as the Council may from time-to-time delegate to the Committee.

ii. Audit and Risk Committee

Responsibilities:

- a. To evaluate adequacy of management procedure with regard to issues relating to risk management, control and governance;
- b. To review external audit findings and recommendations and propose corrective and preventive actions where necessary;
- c. To review the systems established to ensure sound public financial management and internal controls, as well as compliance with policies, laws, regulations, procedures, plans and ethics;
- d. To initiate special audits and or investigations on any allegations, concerns and complaints regarding corruption, lack of accountability and transparency in consultation with the Accounting Officer; and
- e. To exercise such other powers as the Council may from time-to-time delegate to the Committee

iii. Academic and research committee

Responsibilities:

Human resource

- a. Continually examine the College's structure, core functions, staff establishment and if necessary, make proposals for harmonization and rationalization in order to eliminate possible wastage arising from redundancy, overlaps and duplications;
- b. Examine policy and procedures on employment
- c. Examine the procedures for assessment of needs for employment, staff development and procedures, staff training for operational efficiency and capacity enhancement for further development and consultancy services;
- d. Examine and review the terms and conditions of service;
- e. Examine the adequacy of the performance and reward system;

- f. Examine and review the staff welfare policy
- g. Establish & review the human resource policy, college scheme of service and career progression structure make recommendations for broad guidelines; and
- h. Propose innovative ideas for transformation of the college into a world-class college of higher learning and employer

Academic

- a) Formulation and Review of the Academic Policy
- b) Quality Assurance & standards evaluations
- c) Development and Implementation of New Programmes
- d) Determination of Resources:
 - i. Human Resource
 - ii. Teaching/Learning Materials
- e) Curriculum Evaluation
- f) Establish Linkage between the Polytechnic and Industry
- g) Ensure Relevance of Courses to Market Needs
- h) In Charge of Graduations and Academic Awards

(g) Polytechnic Headquarters

P.O. Box 1264-60100
15kms from Embu town-2.5 kms Off Embu Kiritiri Road
Kenya

(h) Polytechnic Contacts

Telephone: (254) 700334477
E-mail: rwikati@yahoo.com
Website: www.jnnp.ac.ke

(i) Polytechnic Bankers

Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya

ABSA Bank Kenya PLC
Embu Branch
Along Embu -Meru Highway
P.O. Box 88
60100
Embu , Kenya

Kenya Commercial Bank
Embu Branch
Along Embu-Meru Highway
P.O Box 75 - 60100
Embu, Kenya

Equity Bank of Kenya Limited
Embu Branch
Along Embu-Meru Highway
P.O Box 1994 - 60100
Embu, Kenya.

(j) Independent Auditors





Auditor-General
Office of Auditor General
Anniversary Towers, Institute Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

(k) Principal Legal Adviser




The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

Jeremiah Nyaga National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2025

3.The Council members





No	Name	Date Of Birth	Key Qualifications	Work Experience	Membership	Committee
1	Mr.Dominic Ireri Muriuki 	16/04/1966	-post graduate diploma in law -Bachelor of Law Degree -Bachelor in Economics and Business studies	-private law practice with D. Muriuki & co advocates	current council chairperson	Executive
2	Hon.Dr. Norman M.G.K Nyaga 	15/09/1950	-Honorary Doctorate of philosophy in humanities -Bachelor Degree in Tourism and Hotel Management -Diploma in tourism	-Director of Treat-global international ltd -Director of private business in oil & gas industry	Council Member	Executive Finance & Development
3	Dr.Patrick W. Okanye 	1//1/1978	PHD in Natural Sciences (Biochemistry) MSc Bio-Chemistry BSc Biochemistry	Snr. Lecturer Technical University of Kenya	Council Member	Risk & Audit Finance & Development
4	Dr. Lawrence Guantai 	31/12/1973	-PHD Medical microbiology -Msc. Medical Microbiology -Bed . Science	-Council PS Alternate Meber SD-TVET	Council Member	Audit Committee

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No	Name	Date Of Birth	Key Qualifications	Work Experience	Membership	Committee
5	MS. Pauline Mbogo 	8/09/1974	-Bed. Education		Council Member	Education and Research
6	Ms. Lilian M Kariuki 	28/08/1988	Degree in bachelors in business management	National Treasury assistant director HRM	Council Member	Risk & audit
7	Mr.Simon Charles kivutiuh 	29/09/1965	-Master's in Business Administration (HRM Option) B.e.d (Arts) Economics and Business Studies	-Chief Principal Jeremiah Nyaga Technical Polytechnic	Council Secretary	Principal

Jeremiah Nyaga National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2025

4. Key Management Team

SN.	Member	Details
1)	<p>Mr. Simon Charles Kivutih</p> 	<p>He is the Chief Principal, Secretary to the Council members and the accounting officer</p>
2)	<p>Mr. Silvano Muriithi</p> 	<p>He is the deputy Principal Administration</p>
3)	<p>Mrs. Wandia Kithenya</p> 	<p>She is the Deputy Principal Academics</p>
4)	<p>Mr. Nicholas Wanjogu</p> 	<p>Registrar</p>

Jeremiah Nyaga National Polytechnic
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SN.	Member	Details
5)	Martin Njuguna 	Dean of students
6)	CPA Alfred Mugira 	Internal auditor
7)	CPA Jeremiah Gachoki 	Finance officer

Jeremiah Nyaga National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2025

5. Chairman's Statement

Introduction

On behalf of the Governing Council of Jeremiah Nyaga National Polytechnic, I am pleased to present this report on the institution's performance for the financial year 2024–2025. The year under review has been marked by notable achievements, prudent financial management, and significant strides in academic and infrastructural development, despite operating in a challenging economic environment.

2. Financial Performance

During the year, the Polytechnic demonstrated sound fiscal discipline and effective resource utilization. Key highlights include:

Item	Amount (Kshs)
Total Revenue Generated	392,447,752
Total Expenditure	308,309,306
Surplus	84,138,446

3. Institutional Successes

a) Academic Excellence

- Increased student enrolment to 3800 trainees.
- Introduced new market-driven courses aligned with the TVET framework.
- Improved performance in national TVET examinations with a [65.2 %] pass rate.

b) Infrastructure Development

- Initiated construction of the modern tuition block
- Upgraded training equipment.

c) Governance & Partnerships

- Strengthened governance systems.
- Enhanced collaborations with industry.
- Secured grant support from development partners.

4. Challenges

- Funding gaps due to delays in disbursement of government capitation and HELB grants & loans
- Rising operational costs.
- Infrastructure pressure due to increased enrollment.
- Staffing needs in specialized technical areas.

5. Way Forward

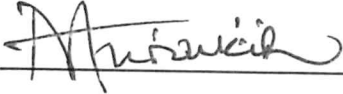
- Lobby for increased government funding and explore alternative revenue sources.
- Expand infrastructure to match enrollment growth.

Jeremiah Nyaga National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2025

- Strengthen industry linkages.
- Enhance staff capacity through professional development.

6. Conclusion

On behalf of the Council, I wish to commend the Management, staff, students, and all stakeholders for their dedication and commitment to excellence. Together, we have laid a solid foundation for sustained growth and service to the nation in line with Kenya's TVET and Vision 2030 agenda.

Signed:  _____

Mr. Dominic Ireri Muriuki

Chairman to the Council members

Jeremiah Nyaga National Polytechnic

6. Report of the Chief Principal

1. Introduction

It is my honour to present this Principal's Report for the 2024/2025 financial year, highlighting our institution's financial performance, academic achievements, evolving trends in Technical and Vocational Education and Training (TVET) under the Bottom-Up Transformative Agenda (BETA), key challenges faced, and notable successes. This report reflects our continued commitment to delivering quality training, fostering innovation, and aligning our programmes with the socio-economic needs of the nation.

2. Financial Performance

During the year under review, the Polytechnic maintained prudent financial management, focusing on resource optimization, accountability, and expansion of revenue streams.

- Revenue Generation

- **Transfers from Government:** We received KSh 66,305,328 from the National Government through capitation and scholarship.

- **Internally Generated Funds (AIA):** Trainees fees, hire of facilities, and short courses contributed KSh 326,142,424.

- Expenditure

Staff Salaries & Benefits: KSh 23,525,162 (7.6 % of total recurrent expenditure).

Board of council expenses : KSh 784,000. (0.2 % of total recurrent expenditure).

Operational Costs: Utilities, maintenance, and administrative expenses amounted to KSh 283,319,708 (92 % of total recurrent expenditure).

Budget performance

During the year, the Polytechnic implemented its' approved budget with an emphasis on improving teaching facilities, expanding training programs, and modernizing equipment. Expenditure and revenue management followed prudent financial principles to ensure sustainability.

Impact

- Revenue collection was underachieved due to delays in disbursement of government capitation and HELB grants & loans
- spending was prioritized to the facilitation of training materials
- Cost containment measures in procurement and utilities created savings that were redirected to academic resources.

3. Academic Performance

- Enrolment & Retention:

Student population grew by 5.5 % from 3600 in 2023/2024 to 3800 in 2024/2025, with retention rates improving to 20%.

- Programmes & Courses:

Introduced modular competency-based curricula (CBC-aligned TVET programmes) in Renewable Energy, Agri-Business, and Digital Entrepreneurship.

4. Balance Sheet Analysis

Assets

Total Assets grew by Kshs 264,325,445, from Kshs 662,947,634 in 2023/2024 to Kshs 927,273,079 in 2024/2025, representing a 39.86% increase.

- Current Assets rose from Kshs 168,542,898 to Kshs 264,319,396 (56.76%), driven by a Kshs 100,916,653 increase in receivables from exchange transactions.
- Cash and Cash Equivalents declined from Kshs 13,199,975 to Kshs 7,034,746, reflecting higher investment in ongoing projects.
- Inventories increased by 46.8%, indicating better stocking of training materials.
- Non-Current Assets saw a major increase of Kshs 168,548,947, primarily due to revaluation of property, plant, and equipment (Kshs 168,437,927).

Liabilities

Total Liabilities increased slightly from Kshs 47,035,767 to Kshs 52,377,018 (↑ 11.36%).

- Growth was mainly from trade and other payables, which rose by Kshs 5,341,251, largely due to pending contractor payments at year-end.
- Refundable deposits remained constant at Kshs 4,224,900.

Net Assets

Net Assets improved significantly from Kshs 615,911,867 to Kshs 874,896,061 — an increase of Kshs 258,984,194 (42.05%).

- Revaluation Reserves rose by Kshs 168,436,927, reflecting revaluation of new assets and land improvements.
- Accumulated Surplus grew by Kshs 124,397,102, indicating efficient cost management and surplus generation, to a net increase of kshs **84,138,446**.

- Capital Fund remained constant, showing no new long-term capital grants received during the year.

Financial Health Assessment

- **Liquidity Position:** Despite a reduction in cash on hand, the institution's liquidity remains strong due to substantial receivables and stable liabilities.
- **Asset Growth:** Major investment in fixed assets strengthens training capacity, aligning with strategic expansion goals.
- **Sustainability:** The rise in accumulated surplus reflects operational sustainability, enabling the institution to finance part of its capital expenditure internally.

5. Examination Results:

The average pass rate stood at 65.20 %, with several departments surpassing 65%. Notable performance was recorded in Engineering, ICT, and Hospitality programmes.

6. Industrial Attachment & Linkages:

90 % of students successfully completed industrial attachment, with several securing employment offers prior to graduation.

7. Changing Trends in TVET Training under the Bottom-Up Transformative Agenda (BETA)

The BETA framework has reshaped the TVET landscape, and Jeremiah Nyaga National Polytechnic has adapted accordingly:

- **Skills for Job Creation:** Shift towards entrepreneurship-driven training, preparing graduates to create enterprises rather than solely seeking employment.
- **Digital Integration:** Adoption of E-learning platforms, blended training, and industry-driven digital certification programmes.
- **Green & Inclusive Skills:** Emphasis on climate-smart agriculture, renewable energy, waste management and inclusive training for persons with disabilities.
- **Community-Centred Training:** Strengthened community outreach programmes to support local MSMEs with technical skills and mentorship.
- **Funding Reforms:** Implementation of the new TVET funding model with targeted scholarships and concessional loans for needy students.

8. Challenges

- **Funding Gaps:** Delays in disbursement of government capitation affecting timely procurement of materials.
- **Infrastructure Pressure:** Growing enrolment has put strain on classrooms, workshops, and hostels.
- **Rapid Technological Changes:** The need to constantly update equipment to match industry standards.
- **Student Welfare Needs:** Rising cost of living impacting students' ability to meet basic needs.
- **Climate-Related Disruptions:** Occasional flooding and drought affecting agriculture-related training programmes.

9. Successes

- Achieved the highest enrolment in the institution's history, marking a 6 % increase.
- Successfully launched modular competency-based programmes.
- Expanded partnerships with industry leaders,
- Attained national recognition for innovation projects at the Kenya TVET Fair.
- Improved digital literacy among staff and students, with 20% completing ICT skills training.
- Maintained 100% statutory compliance and achieved positive audit reviews.

10. Conclusion

The 2024/2025 financial year was marked by resilience, innovation, and steady growth. Despite challenges, Jeremiah Nyaga National Polytechnic has remained steadfast in its mission to produce skilled, innovative, and self-reliant graduates. Looking forward, we will continue to align our training with national development priorities, embrace emerging technologies, and strengthen our role in driving socio-economic transformation under the Bottom-Up Transformative Agenda.



Mr. Simon Charles Kivutih
Chief Principal/ Council Secretary

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7. Statement of Performance against Predetermined Objectives

Jeremiah Nyaga National Polytechnic has 5 strategic pillars and objectives within its Strategic Plan for the FY 2024/2025 to 2028/2029. These strategic pillars are as follows:

1. Physical infrastructure, training facilities and equipment
2. Technological research, innovation and product development
3. Curriculum development and implementation
4. Trainees welfare
5. Revenue base and financial sustainability

Jeremiah Nyaga National Polytechnic develops its annual work plans based on the above 5 pillars. Assessment of the Council's performance against its annual work plan is done on a quarterly basis. The council achieved its performance targets set for the FY 2024/2025 period for its 5 strategic pillars, as indicated in the diagram below:

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
Physical infrastructure, training facilities and equipment	To provide adequate infrastructure for quality service delivery To provide modern and adequate tools and equipment for quality service delivery. Identify and implement PPP projects in the Polytechnic.	modern working physical infrastructure	Initiation in the budget for construction by GOK a Tuition Block	BQ already received by the Line Ministry and budget 2025/2026 approved
Technological research, innovation and product development	Enhance the capacity of research, technology and innovation (RTI).	Technology development and innovation Product market and industry linkages development	To entrench science technology and innovation into polytechnic programmes	The institution was able to link with industries such as Kathangariri tea factory, EWasco and others for Dual Training
Curriculum development and implementation	To produce competent graduates, to determine the effectiveness and performance of curriculum design and delivery	Quality and relevant curriculum implemented	To improve course completion rate by 12.71% from 77.29 % to 90%. To improve examination performance by 1.29% from 63.91% to 65.20%	Course completion rate improved from 77.29 % to 81%

Jeremiah Nyaga National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2025

Strategic Pillar	Objective	Key Performance Indicators	Activities	Achievements
			by enhancing monitoring system of the trainees and trainers	
Trainees welfare	To enhance balance between academic pressures with physical and mental well-being	Safety and security Recreational facilities Trainee governance	Initiation in the budget for construction by GOK a Tuition Block with recreational facilities like the Gym and Indoor Games	Budget 2025/2026 approved by the National Treasury
Revenue base and financial sustainability	To promote production units for income generation	Economically viable production units Increased finances	Installation of bee hives in the institute expansive land	Work in progress

During the financial year under review Jeremiah Nyaga National Polytechnic Signed a Performance contract with the Ministry of Education and the strategic pillars were tied to the performance contract and the performance contracting secretariat meet every Quarter to ensure that the goals set are achieved.

The strategic pillars as highlighted above are a true reflection of how the Council of Management would like to see the institution in 5 years of the strategic plan.

8. Corporate Governance Statement

Jeremiah Nyaga National Polytechnic is governed by the council that consist of 9 members appointed by the cabinet secretary, ministry of education as follows

- a) Chairman and five other members appointed through an open process
- b) One member representing permanent secretary on matters relating to education
- c) One member representing cabinet secretary on matters relating to finance
- d) The principal who is an ex- official member of the council.

The appointment of the chairman and other members of the council is done by the cabinet secretary, ministry of education through a gazette notice to serve for period of three (3) years renewable once. For the purpose of succession planning the Cabinet Secretary shall stagger the appointment of some members to maintain a proportion of new membership that ensures continuity in the services of the Council

Names of the JNNP council members

No	Name	Designation	Term status
1.	Hon. Dr. Norman Nyaga	Rep- trustee	On-going
2.	Mr. Dominic Ileri	Council Chair	On-going
3.	Mr. Simon C Kivuti	Principal	On-going
4.	Dr. Patrick Okanya	Member	On-going
5.	Dr. Lawrence Guantai	PS – SDTVET alternate member	On-going
6.	Mrs. Pauline Muthoni	Member	On-going
7.	Ms. Lilian Kariuki	PS-treasury alternate member	Appointed

Roles and functions of the JNNP council

The role and functions of the council are outlined in Kenya gazette supplement no, 14 – legal notice number 15. Dated 18th January, 2024. Which state that;

- a) The Council shall ensure that a proper management structure is in place and that the management maintains the corporate integrity, reputation and responsibility of the Polytechnic.
- b) The Council shall monitor and evaluate the implementation of strategies, policies, and management plans of the Polytechnic.
- c) The Council shall constantly review the viability and financial sustainability of the Polytechnic at least once in every year.
- d) The Council shall ensure that the Polytechnic complies with all the relevant laws, regulations, governance practices and accounting and auditing standards.

Induction and capacity building for the council members

New members, once are appointed are inducted and issued with relevant documents to familiarize themselves with their roles as outlined in the law. Subsequent training is conducted to equip the board members with relevant knowledge and skills required to discharge their responsibilities effectively.

Board charter

The council has board charter which outlines the powers and the responsibilities of the board, committee's terms of reference. Membership, appointment, remuneration, term of the board members, conduct of the meetings, conflict of interest among others. The charter is premised on the Mwongozo Code which guides on corporate governance practices.

Remuneration of the council members

The remuneration of the council members is as per the guidelines set out by the state corporations advisory committee circulars and the national treasury directives in respect to sitting allowance, transport, and accommodation costs. Details of the full council and committee allowances are included in the financial statement.

Conflict of interest

Council members are required to avoid conflict of interest and deal at arms- length in any matter of the national polytechnic. Each member is obligated to disclose any real issues or potential conflict of interest, which may come to their attention whether directly or indirectly. During every council meeting, members are required to make declaration of any conflict of interest they may have in the agenda of the day by way of signing a conflict of interest register. The register is maintained and updated accordingly.

Council members' performance

The performance of the council and its members is evaluated on regular basis in order to gauge their performance and identify areas of improvement. During the year self-evaluation was conducted by the council themselves.

Ethic and conduct

The council members are expected to conduct themselves ethically, honestly and with integrity in all dealings as per the JNNP code of ethics and conduct.

Jeremiah Nyaga National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2025

Council Meeting attendance register

Full council meeting

No	Name	Designation	Date
			17/4
1	Hon. Dr. Norman Nyaga	Member	√
2	Mr. Dominic Ileri	Chair	√
3	Mr. Simon C Kivuti	Principal	√
4	Dr. Patrick Okanya	Member	√
5	Dr. Lawrence Guantai	PS – SDTVET alternate member	√
6	Mrs. Pauline Muthoni	Member	√
7	Ms. Lilian m kariuki	PS-treasury alternate member	√

Jeremiah Nyaga National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2025

9. Management Discussion and Analysis

Financial Year: 2024–2025

1. Operational Performance

During FY 2024–2025, the Polytechnic continued to deliver quality TVET training aligned with the Kenya Bottom-Up Economic Transformation Agenda (BETA). Student enrolment grew by 12% compared to the previous year, driven by expanded course offerings and increased government capitation.

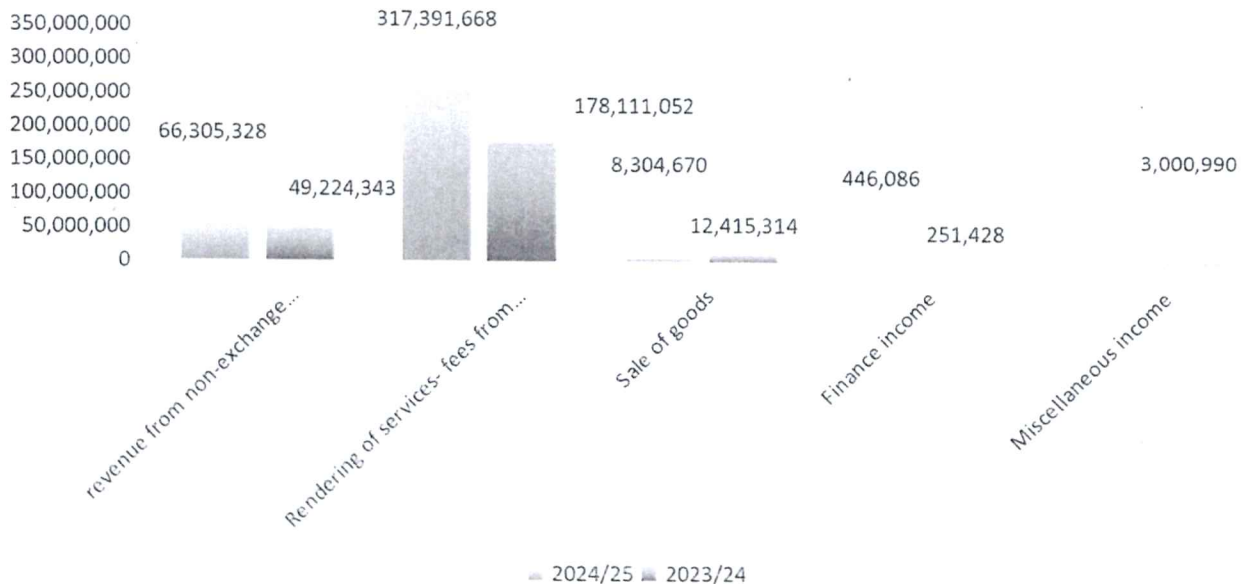
Academic Year	Male Students	Female Students	Total Enrollment	Growth (%)
2023/24	1,927	1,673	3,600	-
2024/25	2,150	1,650	3,800	5.5%

2. Financial Performance

Revenue

Revenue Source	2024/2025	2023/2024	% Change
revenue from non-exchange transactions	66,305,328	49,224,343	35
Rendering of services- fees from students	317,391,668	178,111,052	78
Sale of goods	8,304,670	12,415,314	-33
Finance income	446,086	251,428	77
Miscellaneous income		3,000,990	-100
Total Revenue	392,447,752	243,003,127	61

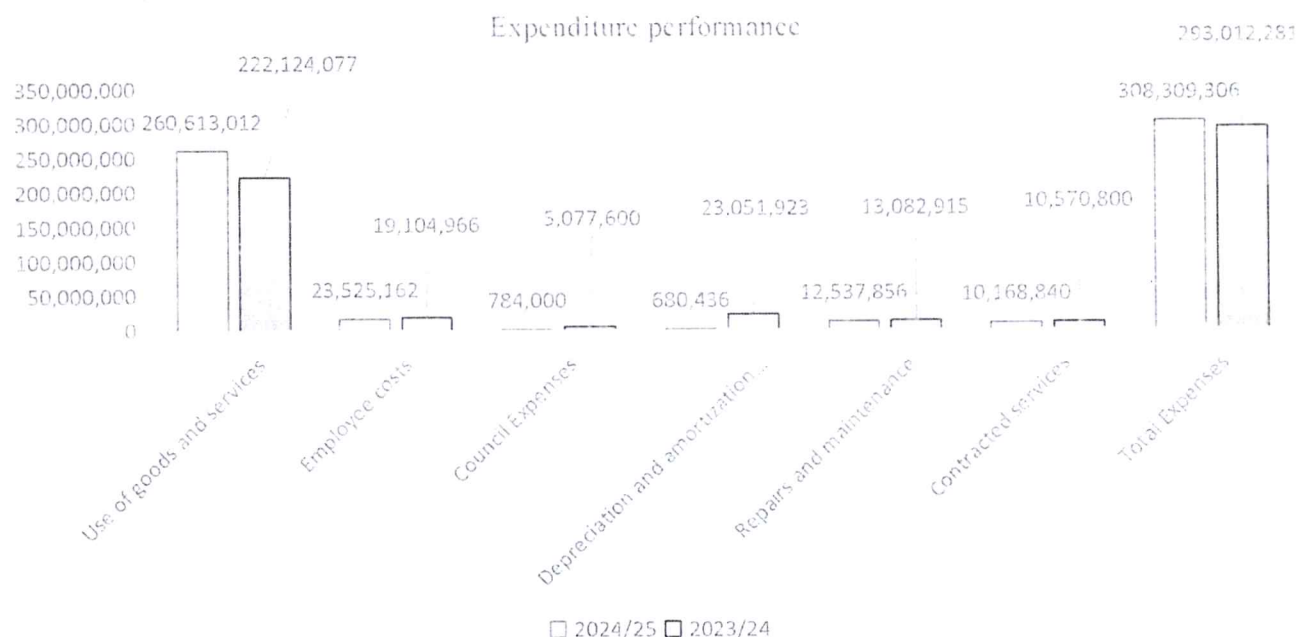
Revenue performance



Jeremiah Nyaga National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2025

Expenditure

Revenue Source	2024/2025	2023/2024	% Change
Use of goods and services	260,613,012	222,124,077	17
Employee costs	23,525,162	19,104,966	18
Council Expenses	784,000	5,077,600	-85
Depreciation and amortization expense	680,436	23,051,923	-97
Repairs and maintenance	12,537,856	13,082,915	-4
Contracted services	10,168,840	10,570,800	-4
Total Expenses	308,309,306	293,012,281	5



Summary

In 2024/2025, Jeremiah Nyaga National Polytechnic recorded total revenue of **Kshs 392,447,752**, up from **Kshs 243,003,127** in 2023/2024, largely due to increased student fee collections.

Expenses were contained at **Kshs 308,309,306** down from **Kshs 293,012,281**, with notable cuts in council expenses and depreciation. The institution moved from a **Kshs 50,009,154 deficit** to a **Kshs 84,138,446 surplus**.

Effects

- Improved financial health from revenue growth and cost control.
- Stronger capacity for reinvestment in infrastructure and staff.
- Reduced reliance on government transfers thanks to higher own-source income.
- Positive momentum that requires sustained fiscal discipline

Balance Sheet Analysis

Assets

- Total Assets grew by Kshs 264,325,445, from Kshs 662,947,634 in 2023/2024 to Kshs 927,273,079 in 2024/2025, representing a 39.86% increase.
- Current Assets rose from Kshs 168,542,898 to Kshs 264,319,396 (↑ 56.76%), driven by a Kshs 100,916,653 increase in receivables from exchange transactions.
- Cash and Cash Equivalents declined from Kshs 13,199,975 to Kshs 7,034,746, reflecting higher investment in ongoing projects.
- Inventories increased by 46.8%, indicating better stocking of training materials.
- Non-Current Assets saw a major increase of Kshs 168,548,947, primarily due to new property, plant, and equipment acquisitions (+Kshs 168,437,927).

Liabilities

- Total Liabilities increased slightly from Kshs 47,035,767 to Kshs 58,785,839 (↑ 23%).
- Growth was mainly from trade and other payables, which rose by Kshs 5,341,251, largely due to pending contractor payments at year-end.
- Refundable deposits remained constant at Kshs 4,224,900.

Net Assets

- Net Assets improved significantly from Kshs 615,911,867 to Kshs 874,896,061 — an increase of Kshs 258,984,194 (↑ 42.05%).
- Revaluation Reserves rose by Kshs 168,436,927, reflecting revaluation of new assets and land improvements.
- Accumulated Surplus grew by Kshs 84,138,446, indicating efficient cost management and surplus generation.
- Capital Fund remained constant, showing no new long-term capital grants received during the year.

3. Key Projects and Investments

During the financial year, the Polytechnic initiated several strategic projects however, due to funding challenges they rolled over to the next year budget.

4. Compliance with Statutory Requirements

All PAYE, NSSF, and SHIF deductions were remitted on time. Annual audited financial statements were prepared in compliance with the Public Finance Management Act and IPSAS reporting standards. Environmental management practices aligned with NEMA requirements.

5. Major Risks Facing the Polytechnic

Risk Description	Likelihood	Impact	Mitigation Measures
Delay in government disbursements	High	High	Maintain cash reserves and diversify income sources
Rising operational costs	Medium	High	Energy efficiency programs and bulk procurement
ICT cyber threats	Medium	Medium	Firewall upgrades and staff training
Student dropouts due to fees	Medium	Medium	Bursary programs and flexible payment plans

6. Material Arrears

As at 30th June 2025, the Polytechnic had no significant statutory arrears. Minor outstanding balances with suppliers are scheduled for settlement in Q1 2025/2026.

7. Other Relevant Information

- Ranked among Top National Polytechnics in Kenya by TVET CDACC for curriculum innovation.
- Participated in the National TVET Innovation Expo and sports

Conclusion

The Polytechnic demonstrated strong growth in both academic and financial metrics during FY 2024/25. Strategic investments in infrastructure, ICT, and green energy are expected to enhance learning outcomes and operational sustainability in the coming years.

10. Environmental and Sustainability Reporting Statement

JNNP exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on 7 pillars: putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Below is a brief highlight of our achievements in each pillar

Sustainability strategy and profile

Jeremiah Nyaga management has continued to put efforts on sustainability measures through creating relationships and collaborations with customers, stakeholders, and community, through quality teaching, exemplary academic performance and recruitment of competent staff. The management has also focused on marketing of JNNP programme in Embu County and the regions in order to attract more students. In the year ended, JNNP managed to attract more students compared to the proceeding years. We utilize resources without wastage and misappropriation by ensuring maximum value for the current and future generation.

The institute engages in promoting talents amongst its students by participating in TVET regional & national competition.

Environmental performance

In order to integrate the local community in the environmental conservation and management to also serve as an example to the community and also have a demonstration effect to the rest of the surrounding community, JNNP through a program known as Mbeere South Afforestation program planted 1,000 trees and encouraged the neighbouring community to do the same.

Employee welfare

At Jeremiah Nyaga National Polytechnic we value our employees who are directly or indirectly involved in training of our students and contribute to their potential to bring positive and social environmental change. We value the contribution that individuals and external entities make to our Polytechnic through community consultation process.

The Polytechnic during the year under review recruited human resource officer to offer guidelines on hiring and appraisal of staff. Staff training and development has been

factored in the annual budget to ensure that our staff are trained and equipped in regard to emerging issues.

The management of JNNP is dedicated to improving the working conditions for both staff and students. The institute provided modern comfortable furniture to the heads of departments and good meals to all staff.

Market place practices-

a) Responsible competition practice.

Jeremiah Nyaga National Polytechnic is committed to fostering fair and ethical competition within the education and training sector. The institution:

- Complies with all national and sector-specific regulations governing Technical and Vocational Education and Training (TVET) institutions.
- Ensures transparent student recruitment processes without engaging in misleading claims or unethical competitive practices.
- Maintains integrity in pricing of courses and services, avoiding hidden charges or unfair advantages over peer institutions.
- Participates in regional and national skills competitions in a manner that promotes collaboration, knowledge-sharing, and professional growth for students.
- Encourages innovation and continuous improvement in teaching methodologies, thereby enhancing the institution's competitiveness in a sustainable and ethical manner.

b) Responsible Supply chain and supplier relations

The Polytechnic maintains responsible procurement and supplier management practices to ensure fairness, transparency, and mutual growth.

- All procurement activities follow the Public Procurement and Asset Disposal Act (PPADA) guidelines.
- Preference is given to local suppliers, especially youth, women, and persons with disabilities, in line with the Access to Government Procurement Opportunities (AGPO) program.
- Supplier selection is based on merit, quality, compliance, and sustainability credentials, not on personal or political influence.
- Payment terms are honored within agreed timelines to support supplier liquidity and business continuity.

- The institution actively engages suppliers in discussions to improve quality, reduce costs, and promote environmentally sustainable sourcing.

c) Responsible marketing and advertisement or Responsible engagement with the citizens.

The Polytechnic prioritizes transparency, truthfulness, and inclusivity in marketing and public engagement.

- All promotional materials accurately represent the courses, facilities, and services offered without exaggeration.
- Uses official communication channels (website, social media, newsletters) to keep the public informed on admissions, scholarships, achievements, and events.
- Engages the local community through open days, career fairs, and outreach programs to raise awareness about TVET opportunities.
- Responds promptly and professionally to public inquiries, complaints, and feedback.
- Collaborates with county and national government agencies, NGOs, and industry players to enhance public trust and visibility.

d) Product stewardship or Awareness Creation

As an educational institution, Jeremiah Nyaga National Polytechnic sees its 'product' as the quality education and skilled graduates it delivers to society.

- Continuously reviews and updates curricula to align with emerging industry needs, ensuring graduates remain relevant in the job market.
- Promotes environmental stewardship by integrating sustainability concepts into training, operations, and student projects.
- Runs sensitization programs for students on workplace ethics, occupational safety, and environmental protection.
- Offers short courses and community workshops to share knowledge beyond enrolled students, extending benefits to the wider community.
- Implements quality assurance systems to ensure teaching, facilities, and services meet or exceed required standards.

Corporate Social Responsibility / Community Engagements

1. Introduction

Jeremiah Nyaga National Polytechnic (JNNP) is committed to fostering sustainable socio-economic development through skills training, community engagement, and responsible use of resources. Guided by its core mandate of offering technical, vocational, and entrepreneurial education, the polytechnic actively supports surrounding communities in line with national development goals, Vision 2030, and the Sustainable Development Goals (SDGS).

This report outlines CSR activities carried out during the reporting period, their alignment with the institution's mandate, and the resulting impacts on the community.

2. CSR Activities Undertaken

2.1. Education and Skills Development Initiatives

a) Community Skills Training Workshops

- Offered short courses in tailoring, welding, carpentry, ICT, and electrical installation to unemployed youth and women groups at subsidized or no cost.
- Partnered with local CBOs to identify trainees from vulnerable households.

Impact:

- Over 100 community members certified in technical skills.
- Improved employability and self-employment rates within the local area.

b) Scholarships and Bursaries

- Partnered with Mbere South NGCDF to facilitate allocation of full and partial scholarships to students from low-income households.

Impact:

- Reduced dropout rates among financially challenged students.
- Enhanced social mobility through access to quality technical education.

2.2. Bridging Community & Infrastructure Through Programs

Launch of Jitume Digital Skills Lab

On 31 May, JNNP launched the Jitume Labs (a Konza digital skills laboratory), officially opened by the Cabinet Secretary for ICT and the Digital Economy. This facility is open not only to students and

staff but also to community members, empowering them with digital skills and access to online opportunities

Dual TVET Training Program

JNNP collaborates with local industry partners—such as Embu Food Plug (formerly Chrimit Hotel), Izaak Walton Inn, Ewasco, Mwaniki Garage, and more—to implement dual training. This model aligns with Competence-Based Education and Training (CBET) and aims to equip youth with relevant labor-market adaptable skills.

2.3. Environmental Conservation Activities

a) Tree Planting Program

- Collaborated with Kenya Forest Service to propagate and distribute 5,000 indigenous and fruit tree seedlings to local schools and community groups.
- Polytechnic staff and students participated in planting drives within Embu County.

Impact:

- Increased green cover in the area.
- Promoted environmental awareness among youth.

b) Energy-Saving Stove Demonstration

- Conducted public demonstrations on constructing and using energy-saving jikos.

Impact:

- 80 households adopted energy-efficient cooking methods, reducing firewood consumption.

2.4. Health and Social Welfare Programs

a) Free Medical and Dental Camp

- Partnered with Embu County Health Department to offer free medical checkups, dental services, and health education at the polytechnic grounds.

Impact:

- 420 residents accessed medical care and preventive health education.

b) Blood Donation Drive

- Organized two blood donation campaigns in collaboration with the Kenya National Blood Transfusion Service.

Impact:

- Collected 87 pints of blood to support local hospitals.

2.5. Public Participation and Civic Engagement

a) Technical Advisory in County Development Planning

- Provided expert input in Embu County's TVET sector strategy and skill gap analysis workshops.

Impact:

- Ensured community training needs were included in county budget priorities.

b) Sensitization on Youth Entrepreneurship

- Conducted forums in partnership with the Ministry of Youth Affairs on starting small businesses, accessing government funding (e.g., Uwezo Fund, Youth Fund).

Impact:

- Over 200 youth trained on entrepreneurship and financial literacy.

3 Overall Impact on Society

- **Education & Employment:** Improved technical skills and access to training have boosted employment prospects.
- **Health:** Free clinics and water projects improved community health and wellbeing.
- **Environment:** Tree planting and energy-saving initiatives contributed to sustainable resource use.
- **Civic Empowerment:** Public participation efforts enhanced community voice in development planning.

5. Conclusion and Way Forward

Jeremiah Nyaga National Polytechnic remains committed to integrating CSR into its institutional culture, leveraging its technical expertise to empower communities, protect the environment, and promote inclusive growth. In the coming year, the polytechnic plans to expand its community training programs, increase the scale of environmental conservation projects, and deepen collaborations with both governmental and non-governmental stakeholders.

11. Report of the Council

The Council members submit their report together with the audited financial statements for the year ended June 30, 2025, which show the state of the Polytechnic affairs.

Principal activities

The principal activities of the polytechnic are to provide competent skills through technology

Results

The results of the Polytechnic for the year ended June 30 are set out on page 1-5

Council of Governors

The members of the Council who served during the year are shown on page x - xi

Auditors

The Auditor General is responsible for the statutory audit of the Polytechnic in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015 for the year ended 30th June 2025.

By Order of the Board

.....

Secretary of the Council
Nairobi
Date:

12. Statement of Council's Responsibilities

Section 81 of the Public Finance Management Act, 2012 and section 14 of the State Corporations Act, and section 29 of schedule 2 of the Technical and Vocational Education and Training Act, 2013 require the council members to prepare financial statements in respect of that Polytechnic, which give a true and fair view of the state of affairs of the Polytechnic at the end of the financial year and the operating results of the Polytechnic for that year. The council members are also required to ensure that the Polytechnic keeps proper accounting records which disclose with reasonable accuracy the financial position of the Polytechnic. The council members are also responsible for safeguarding the assets of the Polytechnic.

The Council members are responsible for the preparation and presentation of the Polytechnic's financial statements, which give a true and fair view of the state of affairs of the Polytechnic for and as at the end of the financial year (period) ended on June 30, 2025. This responsibility includes:

- (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period,
- (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Polytechnic,
- (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud,
- (iv) safeguarding the assets of the Polytechnic,
- (v) Selecting and applying appropriate accounting policies, and
- (vi) Making accounting estimates that are reasonable in the circumstances.

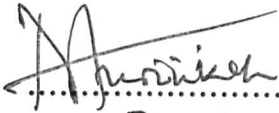
The Council members accept responsibility for the Polytechnic's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the TVET Act. The council members are of the opinion that the Polytechnic's financial statements give a true and fair view of the state of Polytechnic's transactions during the financial year ended June 30, 2025, and of the Polytechnic's financial position as at that date. The Council members further confirm the completeness of the accounting records maintained for the Polytechnic, which have been relied upon in the preparation of the Polytechnic's financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Principal has assessed the Polytechnic's ability to continue as a going concern and nothing has come to the attention of the Council members to indicate that the Polytechnic will not remain a going concern for at least the next twelve months from the date of this statement.

Jeremiah Nyaga National Polytechnic
Annual Report and Financial Statements for the year ended 30th June 2025

Approval of the financial statements

The Polytechnic's financial statements were approved by the Council on 20/08/2025 and signed on its behalf by:



.....
Name **DOMINIC I. MWIRIKI**
Chairperson of the Council



.....
Name **SIMON C. KIVUTI**
Accounting Officer/Principal

REPUBLIC OF KENYA

Phone: +254-(20) 3214000
Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



HEADQUARTERS
Anniversary Towers
Monrovia Street
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NAIROBI

Enhancing Accountability

REPORT OF THE AUDITOR-GENERAL ON JEREMIAH NYAGAH NATIONAL POLYTECHNIC FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Jeremiah Nyagah National Polytechnic set out on pages 1 to 38, which comprise of the statement of financial position as at 30 June, 2025, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual

Report of the Auditor-General on Jeremiah Nyagah National Polytechnic for the year ended 30 June, 2025

amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the basis for qualified opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Jeremiah Nyagah National Polytechnic as at 30 June, 2025, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Technical and Vocational Education and Training Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unconfirmed Property, Plant and Equipment

As previously reported, the statement of financial position reflects property, plant and equipment balance of Kshs.660,820,000 which includes land and motor vehicle balances of Kshs.153,000,000 and Kshs.12,678,000 respectively as disclosed in Note 20 to the financial statements. However, review of asset ownership documents revealed that one of the two parcels of land did not have a title deed as proof of ownership and there were no written agreements between the Polytechnic and the holder of the title, or an executable agreement of transferring this portion of land to the Polytechnic. The second parcel of land as well as four (4) motor vehicles were not registered in the name of the polytechnic.

In addition, the asset register provided for audit did not disclose the necessary information for easy tracking of the assets and did not contain the values of these assets, date when the assets were acquired, any additions during the year and other pertinent management details. Further, physical inspection of the vehicles in the month of May, 2025 revealed an unregistered trailer attached to a tractor and dumper as required by Section 6 (1) of the Traffic Act Cap 403 which states that no person shall possess a motor vehicle or trailer, other than a vehicle exempted from the provisions of this Part, unless such vehicle is registered under this Act. The Management did neither provided any explanation as to why the dumper was not registered nor did it provide documentary evidence showing whether the dumper was tax exempt. The assets register provided was not updated.

In the circumstances, the accuracy and ownership of land and motor vehicle balances of Kshs.153,000,000 and Kshs.12,678,000 respectively could not be confirmed.

2. Unsupported Caution Money

The statement of financial position reflects refundable deposits from customers balance of Kshs.4,224,900 being caution money as disclosed in Note 24 to the financial statements. However, the Polytechnic did not maintain a separate bank account for the caution money.

In the circumstances, the accuracy and completeness of the deposits from customers balance of Kshs.4,224,900 could not be confirmed.

3. Unconfirmed Biological Assets

As previously reported, the statement of financial position reflects biological assets balance of Kshs.546,000 as disclosed in Note 22 to the financial statements. Review of records provided for audit revealed the following anomalies;

- i. Both stock sheets as at 30 June, 2025 and farm records showing records of acquisition of animals, dates of birth, vaccinations, and periodic weight measurements of livestock assets were not provided for audit review.
- ii. Daily milking records for those that are being milked was not provided for audit review.
- iii. Management did not disclose the methods and significant assumptions applied in determining the fair value of each group of Biological Assets at the point of reporting.

In the circumstances, the accuracy and completeness of the biological assets balance of Kshs.546,000 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Jeremiah Nyagah National Polytechnic Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

1. Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.583,168,480 and Kshs.392,447,752 respectively, resulting to under-funding of Kshs.190,720,728 or 33% of the budget. Similarly, the Polytechnic spent Kshs.309,367,762 against actual receipts amount of Kshs.392,447,752 resulting to an underutilization of Kshs.83,079,990 or 21% of the actual receipts.

The under-funding and under-utilization affected the planned activities and may have impacted negatively on service delivery to the public.

2. Delayed Disbursement of Student Capitation Funds

As previously reported, review of student capitation funds disbursement schedules provided for audit revealed that the Government had released less than the allocated amount of funds. The funds released for the current year of audit was Kshs.31,483,800 out of Kshs.63,240,000 for a population of two thousand, one hundred and eight (2,108)

eligible trainees leaving a balance of Kshs.31,756,200 relating to the financial year ending 30 June, 2025.

In the circumstances, the underfunding and late disbursements may have impacted adversely on the service delivery to the public.

My opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. Except for the effect of the matters described in the Basis for Qualified Opinion Section of my report, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Matters

In the report of the previous year, several issues were raised under Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Control, Risk Management and Governance. However, the unresolved issues recurred in the year under review and have been reiterated as substantial paragraphs.

Other Information

The Management is responsible for the Other Information set out on page ii to xxxvi which comprise of Polytechnic information and Management, the Council Members, Key Management Team, Chairman's Statement, Report of the Chief Principal, Statement of Performance against Predetermined Objectives, Corporate Governance Statement, Management Discussion and analysis, environmental and sustainability reporting, Report of the Council and the statement of Council's Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit of the Polytechnic's financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information and I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Non-Compliance With the Law on Reservation of Employment for Persons with Disability

Review of the staff Bio Data revealed that the staff establishment had a total of Sixty- Five (65) employees on its payroll. However, 1 (one) or 2% of employees are persons with disability contrary to Section 13 of the Persons with Disability Act which stipulates that the Council shall endeavor to secure the reservation of five per cent of all casual, emergency and contractual positions in employment in the public and private sectors for persons with disabilities.

In the circumstances, Management was in breach of the law.

2. Non - Compliance with the Law on Staff Ethnic Composition

As previously reported, review of the staff Bio Data revealed that the National Polytechnic had a total of four Sixty- Five (65) employees on its payroll. However, thirty-eight (38) or 58% of employees were from one dominant community contrary to Section 7(2) of the National Cohesion and Integration Act, 2008 which stipulates that no public establishment shall have more than one third of its staff from the same ethnic community.

In the circumstances, Management was in breach of the law.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The Standards requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect of the matters described in the Basis for

Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Lack of Approved Staff Establishment and Salary Structure

As previously reported, review of the personnel records and the payroll showed that the National Polytechnic had a total sixty-four (64) members of staff. However, it did not have a staff establishment and salary structure approved by the Polytechnic's Council.

In the absence of an approved staff establishment and salary structure, the Polytechnic may not be able to budget for, recruit and retain an optimal number of staff necessary to deliver the objectives of the Polytechnic.

2. Polytechnic Council

2.1 Unconfirmed Appointment of Council Members

Review of Council records revealed that the Polytechnic had nine (9) Board Members during the year under review. However, the Management did not provide appointment letters for five out of the nine serving Board Members.

In the circumstances, audit could not verify the authenticity of the five Board Members during the year under review.

2.2 Failure to Hold Council Meetings

Review of Council minutes file and meeting attendance register provided for audit revealed that the Council held only one full Board meeting on 17 April, 2025. The meeting was held after lapse of ten months since the start of the financial year under review contrary to Section 15 of the Technical and Vocational Training (Jeremiah Nyaga National Polytechnic) Order, 2024 which requires the Council to meet regularly and directs that not more than four months shall elapse between the date of one meeting and that of the next meeting.

In the circumstances, the Polytechnic did not benefit from effective oversight by the Council.

2.3 Dormant Risk and Audit Committee of the Council

During the year under review, the Institute's risk and audit Council Committee did not hold any meeting as the last meeting was held in October, 2023 which is an indication that the committee is dormant and ineffective. This is contrary to Regulation 166(2) of the Public Finance Management (National Government) Regulations, 2015 which states that in each year, the Audit Committee shall carry out annual review of the independence, performance and competency of the internal audit unit and comment on their effectiveness in the annual report.

In the circumstances, there would be no reasonable assurance that can be provided on the state of risk management, internal controls and governance within the organization. There is no review of the effectiveness of the financial and non-financial performance management systems of the entities that was provided in the absence of a report by the Risk and Audit Council Committee.

3. Non-Operational Internal Audit Function

Review of records revealed that the Polytechnic had established an internal audit function. However, the Department was not operational since the internal auditor who was the only staff in the Department had exited the institution in the month of March, 2025. This was in contravention of Section 73(1)(a) of the Public Finance Management Act, 2012 which requires every National Government Entity shall ensure that it complies with this Act and has appropriate arrangements in place for conducting internal audit according to the guidelines of the Accounting Standards Board; and where any Regulations are in force under (2), those Regulations are complied with.

In the absence of an operational internal audit function, the Polytechnic may not benefit from assurance services of Internal Audit.

4. Lack of Information Technology (IT) Continuity & Recovery Plan and IT Strategic Committee

Review of the policy documents provided for audit revealed that the Institution did not have IT Continuity & Disaster recovery Plan and IT Strategic Committee as at the time of audit.

In the circumstances, the Polytechnic may not recover and continue normal operations in case of an unforeseen disaster.

5. Lack of Guidelines on Graduation Ceremonies

Review of graduation records revealed that one thousand, two hundred and fifty eight (1,258) students completed their studies and were cleared by the institution as at 20 May, 2025. The students were on different courses in artisan, craft, certificate and diploma courses ranging from one to three years duration. However, as at the time of audit, the graduation ceremony had not been held. Review of records provided revealed that Institution does not have a policy on holding graduation ceremonies but that decision lies with the Polytechnic Council.

Although Council approval for graduation fee amount of Kshs.3,000 per graduand was not provided for audit review, the college could have received total graduation fee of Kshs.3,774,000 had the institution held the graduation ceremony. In addition, the graduation ceremony could have formed part of the marketing strategy for the institution which could have ultimately resulted to an increase in student enrolment.

In the circumstances, the effectiveness of internal controls on graduation, marketing strategies and expansion of the National Polytechnic could not be confirmed.

6. Lack of Inventory and Assets Management System

Review of the Polytechnic's Information Technology internal controls revealed lack of Inventory and Asset Management System. The Polytechnic did not have a system which could track the movement and conditions of both Inventory and Assets. The officer in charge issued all the items received at once to the respective user Departments like training materials for electrical, fashion and design, hospitality and tourism, building, applied sciences and catering. In addition, items in the inventory ledger book are not segregated in terms of specification. They are recorded as a combined item quantity.

In the circumstances, lack of an inventory and assets management system exposes the Polytechnic to risk of misappropriation and misstatement in the financial statements.

7. Weak Internal Control System Over Receivables

The statement of financial position reflects current portion of receivables from exchange transactions balance of Kshs.254,070,723 being student debtors as disclosed in Note 18 to the financial statements. The balance represents a 66% increase from the prior year balance of Kshs.153,154,070. The significant increase has not been explained.

Further, Management had not put in place sufficient effort to recover the outstanding student fees contrary to Regulation 83(2)(g) of the Public Finance Management (National Government) Regulations, 2015 which states that sound cash management includes pursuing debtors with appropriate sensitivity and rigorous are employed to ensure that amounts receivable by the Government are collected and banked promptly.

Weak internal control system over receivables may lead to losses and misstatements in the financial statements.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The Standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and the Polytechnic Council

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Polytechnic's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to terminate the Polytechnic or to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

The Polytechnic Council is responsible for overseeing the Polytechnic's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

27 October, 2025

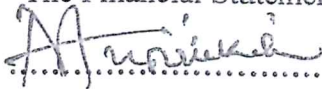
Jeremiah Nyaga National Polytechnic
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14. Statement of Financial Performance for The Year Ended 30 June 2025

	Notes	2024/2025	2023/2024
		Kshs	Kshs
Revenue from Non-Exchange transactions			
Transfers from other National Government entities	6 (b)	66,305,328	49,224,343
Total revenue from non-exchange transactions		<u>66,305,328</u>	<u>49,224,343</u>
Revenue from Exchange transactions			
Rendering of services- fees from students	7 (a)	317,391,668	178,111,052
Sale of goods	8	8,304,670	12,415,314
Finance income	9	446,086	251,428
Miscellaneous income	10		3,000,990
Revenue from Exchange transactions		326,142,424	193,778,784
Total Revenue		<u>392,447,752</u>	<u>243,003,127</u>
Expenses			
Use of goods and services	11 (a)	260,613,012	222,124,077
Employee costs	12	23,525,162	19,104,966
Council Expenses	13	784,000	5,077,600
Depreciation and amortization expense	14	680,436	23,051,923
Repairs and maintenance	15	12,537,856	13,082,915
Contracted services	16	10,168,840	10,570,800
Total Expenses		<u>308,309,306</u>	<u>293,012,281</u>
Net surplus/(deficit) for the year		84,138,446	-50,009,154

(The notes set out on pages 7 to 40 form an integral part of the Annual Financial Statements).

The Financial Statements set out on pages 1 to 6 were signed by:



Chairman of Council



Principal



Finance Officer

ICPAK No. 10789

Date

Date

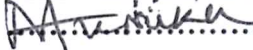
Date 11-09-2025


Jeremiah Nyaga National Polytechnic
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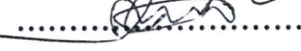
15. Statement of Financial Position as at 30th June 2025

Description	Notes	2024/2025	2023/2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and cash equivalents	17	7,034,746	13,199,975
Current portion of receivables from exchange transactions	18(a)	254,070,723	153,154,070
Inventories	19	3,213,927	2,188,853
Total Current Assets		<u>264,319,396</u>	<u>168,542,898</u>
Non-Current Assets			
Property, plant, and equipment	20	660,820,000	492,382,073
Intangible assets	21	1,587,683	1,209,663
Biological Assets	22	546,000	813,000
Total Non-Current Assets		<u>662,953,683</u>	<u>494,404,736</u>
Total Assets (A)		<u>927,273,079</u>	<u>662,947,634</u>
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	23	43,903,491	42,810,867
Refundable deposits from customers	24	4,224,900	4,224,900
Payment received in advance	25	10,657,448	
Total Current Liabilities		<u>58,785,839</u>	<u>47,035,767</u>
Total Liabilities (B)		<u>58,785,839</u>	<u>47,035,767</u>
Net Assets (A-B)		<u>868,487,240</u>	<u>615,911,867</u>
Represented By:			
Revaluation Reserves		499,244,876	330,807,949
Accumulated Surplus		124,397,102	40,258,656
Capital Fund		244,845,262	244,845,262
Net Assets		<u>868,487,240</u>	<u>615,911,867</u>

The Financial Statements set out on pages 1 to 6 were signed by:


 Chairman of Council


 Principal


 Finance Officer

ICPAK No.10789

Date

Date

Date 11-09-2025

16. Statement of Changes in Net Asset for The Year Ended 30 June 2025

Description	Revaluation reserve	Accumulated Fund	Capital Grants/Fund	Total
At July 1, 2023	329,994,949	90,267,810	240,845,262	661,108,021
Revaluation gain	813,000	-	-	813,000
Surplus/(deficit) for the year	-	-50,009,154	-	-50,009,154
Capital grants received during the year	-	-	4,000,000	4,000,000
Transfer of depreciation/amortization from capital fund to Retained earnings	-	-	-	-
At June 30, 2024	<u>330,807,949</u>	<u>40,258,656</u>	<u>244,845,262</u>	<u>615,911,867</u>
At July 1, 2025	<u>330,807,949</u>	<u>40,258,656</u>	<u>244,845,262</u>	<u>615,911,867</u>
Valuation gain - Note (20 b) & (22 b)	182,267,910			182,267,910
Valuation loss - Note (20 b) & (22 b)	-13,830,983			-13,830,983
Surplus/(deficit) for the year		84,138,446		84,138,446
Capital grants received during the year				
Transfer of depreciation/amortization from capital fund to Retained earnings				
At June 30, 2025	<u>499,244,876</u>	<u>124,397,102</u>	<u>244,845,262</u>	<u>868,487,240</u>

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17. Statement of Cash Flows for The Year Ended 30 June 2025

Description		2024/2025	2023/2024
	Note	Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers from other National Government entities	6(b)	66,305,328	49,224,343
Rendering of services- fees from students	7 (b)	145,977,792	141,450,350
Sale of goods	8	8,570,670	12,415,314
Finance income	9	446,086	251,428
Miscellaneous income			3,000,990
Transfers from other levels of government			4,000,000
Total Receipts		<u>221,299,876</u>	<u>210,342,425</u>
Payments			
Use of goods and services	11(b)	183,558,986	148,357,420
Employee costs	12	23,525,162	19,104,966
Council Expenses	13	784,000	5,077,600
Repairs and maintenance	15 (b)	9,428,115	11,867,435
Contracted services	16	10,168,840	10,570,800
Total Payments		<u>227,465,103</u>	<u>194,978,221</u>
Net Cash Flows from operating activities	26	<u>-6,165,229</u>	<u>15,364,204</u>
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets	21		(33,265,354)
Proceeds from sale of property, plant and equipment			
Net cash flows used in investing activities			<u>(33,265,354)</u>
Cash flows from financing activities			
Proceeds From Borrowing			
Repayment Of Borrowings			
Net cash flows used in financing activities			
Net Increase/(Decrease) in Cash and Cash equivalents		(6,165,229)	(17,901,149)
Cash and Cash equivalents at 1 July	17	13,199,975	31,101,124
Cash and Cash equivalents at 30 June	17	7,034,746	13,199,975

18. Statement of Comparison of Budget & Actual amounts for Year Ended 30 June 2025

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	Utilization Difference
	Kshs	Kshs	Kshs	Kshs	Kshs	%
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Budget carryovers from the previous year*						
Receipts						
Transfers from other National Government entities	85,000,000		85,000,000	66,305,328	18,694,672	22
Rendering of services- fees from students	369,718,480		369,718,480	317,391,668	52,326,812	14
Sale of goods	28,450,000		28,450,000	8,304,670	20,145,330	71
Government Funded Project	100,000,000		100,000,000		100,000,000	100
Finance income				446,086	-446,086	
Total Receipts	<u>583,168,480</u>		<u>583,168,480</u>	<u>392,447,752</u>	<u>190,720,728</u>	<u>33</u>
Payments						
Use of goods and services	367,365,700		367,365,700	260,613,012	106,752,688	29
Employee costs	25,603,584		25,603,584	23,525,162	2,078,422	8
Council Expenses	20,000,000		20,000,000	784,000	19,216,000	96
Repairs and maintenance	10,040,000		10,040,000	12,537,856	-2,497,856	-25
Contracted services	10,800,000		10,800,000	10,168,840	631,160	6
Total Expenditure Payments	<u>433,809,284</u>		<u>433,809,284</u>	<u>308,309,306</u>	<u>125,499,978</u>	<u>29</u>
Capital Expenditure Payments	149,359,196		149,359,196	1,058,456	148,300,740	99
Surplus	<u>583,168,480</u>		<u>583,168,480</u>	<u>83,079,990</u>		

Budget notes

1. Explanation of differences between actual and budgeted amounts (10% over/ under) IPSAS 24.14

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Transfers from other National Government entities (22%) – This is result of delay in release of the capitation & scholarship funding by the GoK

Rendering of service of services (14%) – the budget was the prepared with a total population of 50000 trainees, however. The number of trainees as 30th of June was 3800 which resulted to underfunding

sale of goods & services (71%) – the increase was a result of sale of biological assets

use of goods & services (29%) - underperformance of the budget was result of the underfunding of the revenue budget

employee cost (8%) - underperformance of the budget was result of the underfunding of the revenue budget

Council Expenses (96%- underperformance of the budget was result of the underfunding of the revenue budget

Repairs & maintenance (25%)- The over expenditure is as result of improvement of the polytechnic infrastructures

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	83,079,990
1	Increase in the inventory	-1,025,074
2	Increase in Receivables	-100,916,653
3	Increase in Payables	1,092,624
4	Increase in differed income	10,657,448
5	Sale of the biological assets	266,000
6	Adjusted for Depreciation	680,436
7	Cash & cash equivalent as at 1 st July. 2024	13,199,975
	Closing Cash and Cash Equivalent as per the statement of Cash flows	<u>7,034,746</u>

19. Notes to the Financial Statements

1. General Information

Jeremiah Nyaga National Polytechnic (JNNP) is established by and derives its authority and accountability from TVET Act of 2013. The National Polytechnic is wholly owned by the Government of Kenya and is domiciled in Kenya. The national polytechnic 's principal activity is to provide competence through technology

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarial determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgement in the process of applying the Polytechnic's accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of this financial statement

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the Jeremiah Nyaga National Polytechnic. The values are rounded off to the nearest shilling. The financial statements have been prepared in accordance with the PFM Act, the TVET Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

i. New and amended standards and interpretations in issue effective in the year ended 30 June 2025.

There are no new and amended standards issued in the financial year.

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025.

Standard	Effective date and impact:
IPSAS 43: Leases	Applicable 1st January 2025 The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This

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Standard	Effective date and impact:
	<p>information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an National polytechnic.</p> <p>The new standard requires entities to recognize, measure and present information on right of use assets and lease liabilities.</p> <p>The IPSAS 43 will improve the reporting of the financial statement in the subsequent years.</p>
<p>IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations</p>	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p>The IPSAS 44 will improve the reporting for the non-current assets that will not be operational/operations discontinued in the subsequent years starting in the 2025- 2026 financial year.</p>
<p>IPSAS 45: Property Plant and Equipment</p>	<p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p>The IPSAS 45 standard has no impact to Jeremiah Nyaga National Polytechnic since all the non-current assets are already recognized as assets.</p>
<p>IPSAS 46: Measurement</p>	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.

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Standard	Effective date and impact:
	<p>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS.</p> <p>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</p> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p>The IPSAS 46 standard has no impact to Jeremiah Nyaga National Polytechnic as the fees charged is regulated by the government.</p>
<p>IPSAS 47: Revenue</p>	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an national polytechnic shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p>The IPSAS 47 will improve the reporting of the financial statement in the subsequent years.</p>
<p>IPSAS 48: Transfer Expenses</p>	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p>The IPSAS 48 standard has no impact as the Jeremiah Nyaga National Polytechnic does not transfer expenses to other entities.</p>
<p>IPSAS 49: Retirement Benefit Plans</p>	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p>The IPSAS 49 will improve the reporting of the financial statement in the subsequent years.</p>

iii. Early adoption of standards

The polytechnic did not early adopt any new or amended standards in year 2024- 2025.

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Polytechnic and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realised in the statement of financial performance over the useful life of the assets that has been acquired using such funds.

ii) Revenue from exchange transactions

Rendering of services

The Polytechnic recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably, and it is probable that the economic benefits or service potential associated with the transaction will flow to the national polytechnic.

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

b) Budget information

The original budget for FY 2024/2025 was approved by the Council on 27th June 2024. No subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The Polytechnic's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page 5 under section 1 of these financial statements.

c) Taxes

Current income tax

The Polytechnic is exempt from paying taxes as per 1st schedule of the income tax Act.

d) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition or construction of the item of property appropriately according to the acronyms you use in your financial statements plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the national polytechnic recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus, or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

e) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial

recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite. Intangible assets with an indefinite useful life are assessed for impairment at each reporting date.

f) Biological Assets

The national polytechnic recognizes biological assets when it controls the assets due to past events, it is probable that future economic benefits associated with the asset will flow to the national polytechnic, and when the fair value or cost of the asset can be measured reliably. Biological assets are initially and subsequently measured at fair value less costs to sell, except where fair value cannot be reliably determined. In such cases, the asset is measured at its cost less accumulated depreciation and any accumulated impairment losses. Changes in fair value less costs to sell are recognized in surplus/deficit in the period in which they occur.

g) Research and development costs

The Polytechnic expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Polytechnic can demonstrate:

- i. The technical feasibility of completing the asset so that the asset will be available for use or sale.
- ii. Its intention to complete and its ability to use or sell the asset.
- iii. How the asset will generate future economic benefits or service potential
- iv. The availability of resources to complete the asset.
- v. The ability to measure reliably the expenditure during development.

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

h) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. A financial instrument is any contract that gives rise to a financial asset of one Polytechnic and a financial liability or equity instrument of another Polytechnic. At initial recognition,

the Polytechnic measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial assets

Classification

The national polytechnic classifies its financial assets as subsequently measured at amortized cost, fair value through net assets/ equity, or fair value through surplus and deficit on the basis of both the national polytechnic 's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless national polytechnic has made an irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

Based on the business model and the cash flow characteristics, the Polytechnic classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through net assets/ equity

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange

gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the national polytechnic manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

Trade and other receivables

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year-end.

Impairment

The Polytechnic assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The Polytechnic recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in Note 26(i).

Financial liabilities

Classification

The national polytechnic classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

i) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- a) Raw materials: purchase cost using the weighted average cost method.
- b) Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Polytechnic.

j) Provisions

Provisions are recognized when the Polytechnic has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Polytechnic expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

Contingent liabilities

The National polytechnic does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

Contingent assets

The National polytechnic does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the National polytechnic in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

k) Social Benefits

Social benefits are cash transfers provided to

- i) specific individuals and / or households that meet the eligibility criteria,
- ii) mitigate the effects of social risks and
- iii) Address the need of society as a whole. The Polytechnic recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social

benefit payments) that the Polytechnic will incur in fulfilling the present obligations represented by the liability.

l) Nature and purpose of reserves

The Polytechnic creates does not maintains reserves in terms of specific requirements.

m) Changes in accounting policies and estimates

The Polytechnic recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

n) Employee benefits

Retirement benefit plans

The Polytechnic provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which Polytechnic pays fixed contributions into a separate Polytechnic (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

o) Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

p) Related parties

The National polytechnic regards a related party as a person or national polytechnic with the ability to exert control individually or jointly or to exercise significant influence over the National polytechnic, or vice versa. Members of key management are regarded as related parties and comprise the council, the Principal and senior managers.

q) Service concession arrangements

The Polytechnic analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the Polytechnic recognizes that asset when, and only when, it controls or regulates the services. The operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the Polytechnic also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

r) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

s) Comparative figures

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

t) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2025.

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the National polytechnic 's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The National polytechnic based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the National polytechnic. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- a) The condition of the asset based on the assessment of experts employed by the Polytechnic.
- b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- c) The nature of the processes in which the asset is deployed.
- d) Availability of funding to replace the asset.
- e) Changes in the market in relation to the asset

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is provided below.

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

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- a. Bad Debts are written off after a period of 10 years as set out in credit and debt management policy currently since the Polytechnic started to be audited by the Auditor General in the FY 2018-2019 no debts are above 10 years thus no provision for bad debts.

Bad debts are provided at the following rates

S no	Age Of Debtors	Rate %
i.	241 -360 days	5
ii.	Up to1 year	20
iii.	Up to 2 years	50
iv.	Up to 3 years	75
v.	Up to 4 years	100

- b. Obsolete stocks are disposed in conformity with Public Procurement and Asset Disposal Act of and an asset disposal committee considers the prevailing market prices.

Depreciation

Depreciation is charged on a reducing balance basis over the estimated useful lives of the assets. The annual rates of depreciation used shall be as

No	Classification of asset	Rate %
i.	Land	
ii.	Building	2.5
iii.	Motor vehicles- Buses & others	15
iv.	Furniture and fittings	10
v.	Computer equipment	30
vi.	Library books	20
vii.	Plant, machinery & equipment	15
viii.	Intangible assets	30

6. (a) Transfers from other National Government entities

Description	2024/2025	2023/2024
	Kshs	Kshs
Unconditional Grants		
Capitation Grants	31,482,650	25,426,000
Government Scholarship	34,822,678	23,798,343
Development grants		4,000,000
Total Government Grants and Subsidies	<u>66,305,328</u>	<u>53,224,343</u>

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Development grants for the 2023- 2024 financial year is disclosed in the statement of change in net assets as capital funds

(b)Transfers from other Government entities - MoE

Name of the Polytechnic sending the grant	Amount recognized to Statement of Comprehensive Income Kshs	Amount deferred under deferred income Kshs	Amount recognized in capital fund.	Total grant income during the year	2024/2025
			Kshs	Kshs	Kshs
Ministry of Education	66,305,328			66,305,328	53,224,343
Total	66,305,328			66,305,328	53,224,343

The details of the reconciliation have been included under appendix iii

7. (a)Rendering of Services

Description	2024/2025	2023/2024
	Kshs	Kshs
Tuition Fees	143,928,369	45,164,356
Activity Fees	15,523,114	8,039,901
Examination Fees (KNEC)	9,087,000	21,555,500
Library Fees	1,292,830	386,824
Registration Fees	3,289,028	1,537,409
Student ID card	1,781,000	687,000
Repairs Maintenance and Improvement	11,181,722	4,538,489
Personal Emoluments	44,185,713	23,600,749
Local Travel and Transport	13,358,486	6,755,651
KNEC Examination Practical	284,000	801,800
Industrial Attachment	6,786,324	5,504,370
Electricity Water and Conservancy	15,523,114	4,996,466
Administration Fees	274,360	602,840
Student Council	1,836,700	671,500
PAYE meals	30,466,800	32,866,267
KUCCPS	3,376,500	2,650,500
NITA Exams	-	569,740
KASNEB Examination Fee	-	83,890
CBET Exam	15,216,608	13,406,665
Internet	-	5,109

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CBET Class Practical		3,686,026
Total Revenue from The Rendering of Services	<u>317,391,668</u>	<u>178,111,052</u>

(Revenue from the polytechnic trainees)

7. (b) Rendering of Services- cash flow statement

Description	2024/2025	2023/2024
	Kshs	Kshs
Total Revenue from The Rendering of Services: Statement of financial performance	317,391,668	178,111,052
Add: Differed fees c/f	10,657,448	6,589,000
Refundable deposits to customers		1,339,900
Fees receivable recovered		24,565,600
Less: Differed fees b/f	-6,589,000	-14,104,176
Fees receivable c/f	-175,482,324	-55,051,026
Total Revenue from The Rendering of Services- cash flow statement	<u>145,977,792</u>	<u>141,450,350</u>

8. Sale of Goods

Description	2024/2025	2023/2024
	Kshs	Kshs
Sale of Farm Produce	272,090	144,090
Hire of Polytechnic property	176,000	151,000
Accommodation	7,713,000	12,120,224
Sale Of Idle Assets	143,275	
Enterprise C&J	305	
Total Revenue from Sale of Goods	<u>8,304,670</u>	<u>12,415,314</u>

(revenue from the Income Generating activities and hire of the polytechnic properties)

9. Finance Income

Description	2024/2025	2023/2024
	Kshs	Kshs
Interest income from savings account	446,086	251,428
Total finance income	<u>446,086</u>	<u>251,428</u>

(revenue from interest earned from the savings accounts)

10. Miscellaneous Income

Description	2024/2025	2023/2024
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	Kshs	Kshs
Graduation fees		3,000,990
Total other income		<u>3,000,990</u>

(Revenue from the graduation fees charged to graduate.)

11. (a) Use of Goods and Services

Description	2024/2025	2023/2024
	Kshs	Kshs
Registration expense	414,400	813,500
Water	1,538,334	934,747
Electricity	1,555,916	1,985,253
Entertainment	-	113,400
PAYE Meals expenses	71,800,524	52,655,950
Performance contract	421,000	1,239,000
Industrial attachment	1,118,843	3,252,370
Hired rent/accommodation	7,732,000	11,039,000
Production unit/enterprise farm	-	129,550
Administration Cost	5,172,520	796,174
Provision for audit fees	700,000	500,000
Conferences and delegations	963,000	2,161,840
Co-curriculum activities	688,760	5,977,950
Examination	56,762,474	41,133,142
Insurance	914,423	807,559
Student council activities	139,800	652,100
Library magazines	89,270	120,300
Travelling and accommodation(LTT)	460,400	3,199,180
Fuel and oil	5,608,288	6,065,459
Telephone Expenses	455,750	593,750
Training Expenses(Tuition)	7,893,819	16,307,504
Postage	-	7,725
Internet services	1,143,780	1,093,300
HELB Loan Refund	558,548	235,265
Internal meetings	99,000	666,500
Rebranding & renaming the Polytechnic	50,000	748,500
Robotic Exhibition and promotion	653,550	1,787,920
Staff Uniforms		446,650

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Description	2024/2025	2023/2024
	Kshs	Kshs
KNEC Examination practical	1,059,795	11,278,060
Student ID Expense	1,207,519	1,121,500
Training seminar and workshop	330,000	4,304,146
Tender Meeting /advert	-	249,800
Class practical hospitality and tourism expenses	1,126,102	647,389
Provision for bad debts	74,565,672	42,678,638
ERP annual subscription fees	-	417,600
Bank Charges ABSA	93,221	46,973
Bank Charges KCB	8,839	2,896
Bank Charges Equity	8,050	9,152
Graduation expenses	7,430,850	3,977,300
KATTI subscription	-	50,000
Bill board Fee(KENHA)	-	17,325
Main A/C 1	-	20,250
Marketing And Advertising	2,829,260	1,759,860
KASNEB exam	-	79,600
Stationery expense	3,258,305	
KUCCPS placement fee	1,761,000	
Total good and services	<u>260,613,012</u>	<u>222,124,077</u>

11(b)Use of Goods and Services- cash flow

Description	2024/2025	2023/2024
	Kshs	Kshs
Total good and services: Statement of financial performance	260,613,012	222,124,077
(Add) Inventory c/f	3,213,927	2,188,853
Trade payables b/f	34,721,867	
(Less) Inventory b/f:	-2,188,853	-599,485
Trade payables c/f	- 37,635,294	-32,177,387
Provision of bad debts	-74,565,672	-42,678,638
Provision of audit fees	-600,000	-500,000
Total good and services cash flow statement	<u>183,558,987</u>	<u>148,357,420</u>

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12. Employee Costs

Description	2024/2025	2023/2024
	Kshs	Kshs
Basic Pay	14,738,866	12,820,353
Other Allowances	258,000	228,000
Commuter Allowance	2,364,000	1,386,995
NSSF	2,178,902	1,523,748
Housing benefits and Allowances	2,053,200	1,776,500
Social contributions/JISWA	240,300	188,700
NHIF	548,196	473,600
PAYE	273,425	168,963
HELB Loan Refund	248,340	258,206
Housing levy	581,883	242,701
NITA levy	40,050	37,200
Employee Costs	<u>23,525,162</u>	<u>19,104,966</u>

13. Council Expenses

Description	2024/2025	2023/2024
	Kshs	Kshs
Council Emoluments	196,000	710,000
Chairman's Honoraria	588,000	-
Other Council Expenses		4,367,600
Total	<u>784,000</u>	<u>5,077,600</u>

14. Depreciation and Amortization expense

Description	2024/2025	2023/2024
	Kshs	Kshs
Building		8,171,230
Motor vehicles		2,451,070
Furniture & Fittings		2,704,571
Computers		2,909,192
Property, plant and equipment		6,297,433
Intangible assets	680,436	518,427
Total depreciation and amortization	<u>680,436</u>	<u>23,051,923</u>

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15. (a) Repairs and Maintenance

Description	2024/2025	2023/2024
	Kshs	Kshs
Repair Maintenance & improvement	10,936,470	11,932,455
EWC Repairs	261,105	236,070
Repair Maintenance of machines	-	44,500
Vehicles Repairs	1,340,281	869,890
Total Repairs and Maintenance	<u>12,537,856</u>	<u>13,082,915</u>

15 (b) Repairs and Maintenance

Description	2024/2025	2023/2024
	Kshs	Kshs
Statement of financial performance	12,537,856	13,082,915
(Less) Trade payables c/f	- 3,109,741	-1,215,480
cash flow statement	<u>9,428,115</u>	<u>11,867,435</u>

16. Contracted Services

Description	2024/2025	2023/2024
	Kshs	Kshs
Cleaning services and Security Services	3,508,840	10,570,800
Cleaning services	6,660,000	-
Total contracted services	<u>10,168,840</u>	<u>10,570,800</u>

17. Cash and Cash Equivalents

Description	2024/2025	2023/2024
	Kshs	Kshs
ABSA Bank Kenya plc	1,031,483	6,475,193
Kenya Commercial Bank	578,040	1,342,026
Equity Bank of Kenya	5,425,223	5,382,756
Total Cash and Cash Equivalents	<u>7,034,746</u>	<u>13,199,975</u>

17 (a). Detailed Analysis of Cash and Cash equivalents

Financial Institution	Account number	2024/2025	2023/2024
		Kshs	Kshs
a) Current Account			

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ABSA Bank Current Account	2026031233	1,031,483	6,475,193
Kenya Commercial Bank	1121471226	578,040	1,342,026
Equity Bank, etc.	50190273909253	5,425,223	5,382,756
Sub- Total		7,034,746	13,199,975
b) Others			-
Cash in Hand			-
Sub- Total			-
Grand Total		<u>7,034,746</u>	<u>13,199,975</u>

18. Receivables from Exchange transactions

18 (a) Current Receivables from Exchange transactions

Description	2024/2025	2023/2024
	Kshs	Kshs
Current Receivables		
Student Debtors	254,070,723	153,154,070
Total Current Receivables	<u>254,070,723</u>	<u>153,154,070</u>

18 (b) Ageing Analysis of Receivables from Exchange transactions

Description	2024/2025		2023/2024	
	Kshs		Kshs	
	2024/2025	% of the total	2023/2024	% of the total
Less than 1 year	166,708,208	66	52,298,475	34
Between 1- 2 years	41,838,780	16	81,239,345	53
Between 2-3 years	40,619,673	16	19,616,250	13
Over 3 years	4,904,063	2	-	-
Total (a+b)	<u>254,070,723</u>	<u>100</u>	<u>153,154,070</u>	<u>100</u>

18 (c) Reconciliation for impairment Allowance on Receivables from Exchange Transactions

Description	2024/2025	2023/2024
	Kshs	Kshs
At the beginning of the year	153,154,070	126,114,782
Receivable from non-exchange transaction transferred to exchange transaction receivables		39,232,500
addition during the year	175,482,324	55,051,026
Provisions during the year	(74,565,672)	(42,678,638)

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Description	2024/2025	2023/2024
	Kshs	Kshs
Recovered during the year		(24,565,600)
At the end of the year	<u>254,070,723</u>	<u>153,154,070</u>

19. Inventories

Description	2024/2025	2023/2024
	Kshs	Kshs
Consumable stores	3,213,927	2,188,853
Total Inventories	<u>3,213,927</u>	<u>2,188,853</u>

(2024 – 2025 consumables are the training materials rolled over to 2025 – 2026 FY)

Detailed disclosure on inventories

Description	2024/2025	2023/2024
	Kshs	Kshs
Opening balance	2,188,853	599,485
Additional Inventory in the year	3,213,927	2,188,853
Inventory expensed in the year	(2,188,853)	(599,485)
Write-downs in the year		
Closing balance	<u>3,213,927</u>	<u>2,188,853</u>

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20. Property, Plant and Equipment

Cost	Land	Buildings	Motor vehicles	Furniture and fittings	Computers	Plant and equipment	Capital Work in progress	Total
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Depreciation Rate		0.025%	0.15%	0.1%	0.3%	0.15%		
At 1 July 2023	93,000,000	361,913,759	6,770,000	18,698,800	10,359,660	58,107,800	-	548,850,019
Additions	-	7,620,790	11,449,140	11,162,300	3,991,124	-	-	34,223,354
At 30th June 2024	93,000,000	369,534,549	18,219,140	29,861,100	14,350,784	58,107,800	-	583,073,373
Additions								
Disposals								
Transfer/Adjustments	(93,000,000)	(369,534,549)	(18,219,140)	(29,861,100)	(14,350,784)	(58,107,800)	-	(583,073,373)
Revaluation	<u>153,000,000</u>	<u>439,438,000</u>	<u>12,678,000</u>	<u>12,275,000</u>	<u>8,284,000</u>	<u>35,145,000</u>		<u>660,820,000</u>
At 30th June 2025	153,000,000	439,438,000	12,678,000	12,275,000	8,284,000	35,145,000		660,820,000
Depreciation And Impairment								
At 1 Jun 2023		<u>42,685,344</u>	<u>1,878,675</u>	<u>2,815,393</u>	<u>4,653,477</u>	<u>16,124,915</u>		<u>68,157,804</u>
Depreciation		8,171,230	2,451,070	2,704,571	2,909,192	6,297,433		22,533,496
At 30 Jun 2024		<u>50,856,574</u>	<u>4,329,745</u>	<u>5,519,964</u>	<u>7,562,669</u>	<u>22,422,348</u>		<u>90,691,300</u>
Depreciation	-							
Adjustment	-	(50,856,574)	(4,329,745)	(5,519,964)	(7,562,669)	(22,422,348)		(90,691,300)
At 30th Jun 2025		0	0	0	0	0		0
Net Book Values								
At 30th Jun 2024	93,000,000	318,677,975	13,889,395	24,341,136	6,788,115	35,685,452		492,382,073
At 30th Jun 2025	153,000,000	439,438,000	12,678,000	12,275,000	8,284,000	35,145,000		660,820,000

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Valuation

As per National Treasury guidelines, Land and buildings were identified and valued as per the National Liabilities and Management Policy and guidelines (Issued June 2020). The assets were revalued by Milestone Land Access Limited professional valuers on June 2025. These amounts were adopted in the financial statements on 27th June, 2025.

20 (b) Property, Plant and Equipment at Cost

If the freehold land, buildings and other assets were stated on the historical cost basis the amounts would be as follows:

Description	cost	accumulated depreciation	NBV (Before valuation)	valuation	valuation gain	valuation loss
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Land	93,000,000		93,000,000	153,000,000	60,000,000	
Buildings	369,534,549	50,856,574	318,677,975	439,438,000	120,760,025	
Motor vehicles	18,219,140	4,329,745	13,889,395	12,678,000		(1,211,395)
Furniture and fittings	29,861,100	5,519,964	24,341,136	12,275,000		(12,066,136)
Computers	14,350,784	7,562,669	6,788,115	8,284,000	1,495,885	
Plant and Equipment	58,107,800	22,422,348	35,685,452	35,145,000		(540,452)
Total	583,073,373	90,691,300	492,382,073	660,820,000	182,255,910	(13,817,983)

21. Intangible Assets

Description	2024/2025	2023/2024
	Kshs	Kshs
Cost		-
At beginning of the year	1,938,700	1,816,200
Additions	371,000	122,500
At end of the June	2,309,700	1,938,700
At the beginning of July	2,309,700	1,938,700
Additions-Intangible assets	1,058,456	371,000
At end of the year	3,368,156	2,309,700
Amortization and impairment		-
At beginning of the year	1,100,037	581,610

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Description	2024/2025	2023/2024
	Kshs	Kshs
Amortization	680,436	518,427
At end of the year	1,780,473	1,100,037
Impairment loss		
At end of the year		
NBV	<u>1,587,683</u>	<u>1,209,663</u>

The additional intangible assets of kshs 1,058,456 was in respect to the upgrade that was done by the ERP provider which was reported as payable as at 30th, June

22. Biological Assets

Description	2024/2025	2023/2024
	Kshs	Kshs
Cattle	320,000	333,000
Pigs	226,000	480,000
Total	<u>546,000</u>	<u>813,000</u>

(b) Biological Assets

Description	2024/2025		2023/2024	
	Cattle	Pigs	Cattle	Pigs
	Kshs	Kshs	Kshs	Kshs
Balance at The Beginning of The Year	333,000	480,000		
Valuation			333,000	480,000
Additional				
Adjustment				
Total	<u>333,000</u>	<u>480,000</u>	<u>333,000</u>	<u>480,000</u>
Disposal		(266,000)		
Revaluation Gain/loss	(13,000)	12,000		
Total as at 30th June	<u>320,000</u>	<u>226,000</u>	<u>333,000</u>	<u>480,000</u>

23. Trade and Other Payables

Description	2024/2025	2023/2024
	Kshs	Kshs
Fees paid in advance		6,589,000
Other Payables (Audit fees)	2,100,000	1,500,000
Trade payables- Trade Creditors	41,803,491	34,721,867

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Total Trade and Other Payables	<u>43,903,491</u>	<u>42,810,867</u>
---------------------------------------	--------------------------	--------------------------

Description	2024/2025		2023/2024	
	Kshs		Kshs	
Ageing analysis:	2024/2025	% of the Total	2023/2024	% of the Total
Under one year	43,902,091	99	41,810,867	98
1-2 years	1,400	1	500,000	1
2-3 years			500,000	1
Total	<u>43,903,491</u>	<u>100</u>	<u>42,810,867</u>	<u>100</u>

24. Refundable Deposits from Students

Description	2024/2025	2023/2024
	Kshs	Kshs
Caution money	4,224,900	4,224,900
Total Deposits	<u>4,224,900</u>	<u>4,224,900</u>

Description	2024/2025		2023/2024	
	Kshs		Kshs	
Ageing analysis:	2024/2025	% of the Total	2023/2024	% of the Total
Under one year			1,339,900	32
1-2 years	1,339,900	32	1,420,000	34
2-3 years	1,420,000	34	1,465,000	34
Over 3 years	1,465,000	34	-	-
Total	<u>4,224,900</u>	<u>100</u>	<u>4,224,900</u>	<u>100</u>

(Refundable deposits from students is the caution fees charged which is refundable after clearance)

25. Payment received in advance

Description	2024/2025	2023/2024
	Kshs	Kshs
Deferred fee income	10,657,448	
Total Deferred Income	<u>10,657,448</u>	

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26. Cash generated from operations.

	2024/2025	2023/2024
	Kshs	Kshs
Surplus for the year before tax	84,138,446	(50,009,154)
Adjusted for:		
Development Grants		4,000,000
Depreciation	680,436	23,051,923
Gains / Losses on Disposal of Assets(Biological Assets)	266,000	
Working Capital Adjustments		
Increase /decrease in Inventory	-1,025,074	(1,589,368)
Increase /decrease in Receivables	-100,916,653	12,193,212
Increase/decrease in Deferred Income		-
Increase/decrease in Payables	34,168	27,717,591
Increase/decrease in Payments received in advance	10,657,448	-
Net Cash Flow from Operating Activities	<u>-6,165,229</u>	<u>15,364,204</u>

Payable of kshs 1,058,456 was in respect to the upgrade that was done by the ERP provider

27. Financial Risk Management

The national Polytechnic activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The institute's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimize the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The polytechnic does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

The national polytechnic 's financial risk management objectives and policies are detailed below:

(i) Credit risk

The national polytechnic has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments.

Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the council. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by

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the polytechnic's management based on prior experience and their assessment of the current economic environment.

The carrying amount of financial assets recorded in the financial statements representing the national polytechnic's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2024				
Receivables from exchange transactions	153,154,070	52,298,475	100,855,595	-
Bank balances	13,199,975	13,199,975	-	-
Total	<u>166,354,070</u>	<u>65,498,450</u>	<u>100,855,595</u>	-
At 30 June 2025				
Receivables from exchange transactions	254,070,723	166,708,208	87,362,515	
Bank balances	7,034,746	7,034,746		
Total	<u>261,105,469</u>	<u>173,742,954</u>	<u>87,362,515</u>	

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the polytechnic has recognized in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

The national polytechnic has significant concentration of credit risk on amounts due from kshs. 10,000

The board of council sets the polytechnic's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

(ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the national polytechnic's council, who have built an appropriate liquidity risk management framework for the management of the national polytechnic's short, medium and long-term funding and liquidity management requirements. The national polytechnic manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

The table below represents cash flows payable by the polytechnic under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

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Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2024				
Trade Payables	35,221,867	-	1,000,000	36,221,867
Fees paid in Advance	6,589,000		-	6,589,000
Refundable deposits from customers	1,339,900		2,885,000	4,224,900
Total	<u>43,150,767</u>	-	<u>3,885,000</u>	<u>47,035,767</u>
At 30 June 2025				
Deferred fee income	10,657,448			10,657,448
Trade Payables	43,903,491		1,400,000	45,303,491
Refundable deposits from customers			4,224,900	4,224,900
Total	<u>54,560,939</u>	-	<u>5,624,900</u>	<u>60,185,839</u>

(iii) Market risk

The national polytechnic has put in place an internal audit function to assist it in assessing the risk faced by the national polytechnic on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the national polytechnic 's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

The national polytechnic 's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies.

There has been no change to the national polytechnic 's exposure to market risks or the manner in which it manages and measures the risk.

iv) Capital Risk Management

The objective of the national polytechnic 's capital risk management is to safeguard the national polytechnic 's ability to continue as a going concern. The national polytechnic capital structure comprises of the following funds:

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Description	2024/2025	2023/2024
	Kshs	Kshs
Revaluation Reserve	499,244,876	330,807,949
Retained Earnings	124,397,102	40,258,656
Capital Reserve	244,845,262	244,845,262
Total Funds	<u>868,487,240</u>	<u>615,911,867</u>
Total Borrowings		-
Less: Cash and Bank Balances	(7,034,746)	(13,199,975)
Net Debt/(Excess Cash and Cash Equivalents)		-
Gearing	0.8%	2.14%

28. Related Party Balances

Nature of related party relationships

Entities and other parties related to the national polytechnic include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members.

Government of Kenya

The Government of Kenya is the principal shareholder of the national polytechnic, holding 100% of the national polytechnic 's equity interest. The Government of Kenya has provided full guarantees to all long-term lenders of the national polytechnic, both domestic and external. Other related parties include:

- i) The National Government;
- ii) The Parent Ministry;
- iii) Key management;
- iv) Board of council;
- v) Embu County Government
- vi) Mberere South MP

The transactions and balances with related parties during the year are as

Description	2024/2025	2023/2024
	Kshs	Kshs
Transactions with Related Parties		
a) Purchase from other related parties		
Purchase of services from other government entities – electricity	1,555,916	1,985,235
Purchase of services from other government entities – Water	1,538,334	

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Description	2024/2025	2023/2024
	Kshs	Kshs
Training and conference fees paid to govt. agencies	330,000	4,304,146
Total	<u>3,424,250</u>	<u>6,289,381</u>
b) Grants /Transfers from the Government		
Grants from National Govt	66,305,328	53,224,343
Total	<u>66,305,328</u>	<u>53,224,343</u>
c) Expenses incurred on behalf of related parties		
Payments of Salaries and Wages for COG Employees	23,525,162	19,104,966
Total	<u>23,525,162</u>	<u>19,104,966</u>
d) Key Management Compensation		
Council' emoluments	784,000	5,077,600
Total	<u>784,000</u>	<u>5,077,600</u>

29. Ultimate and Holding National polytechnic

The national polytechnic is a TVET institute under the Ministry of Education. Its ultimate parent is the Government of Kenya.

30. Currency

The financial statements are presented in Kenya Shillings (Kshs) and the values are rounded off to the nearest shilling.

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1. Appendices


Appendix 1: Implementation Status of Auditor-General Recommendations

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
Basis For Qualified Opinion				
1	Unconfirmed Property Plant and Equipment	Motor Vehicle logbook change of name from Rwika Technical to Jeremiah Nyaga National polytechnic has been initiated and Land titling of the parcel of land at advanced stage	Not Resolved	30/12/2025
2	Unconfirmed Biological Assets	The Polytechnic has engaged Ministry of Agriculture Livestock Department to value biological Assets	Not Resolved	30/12/2025
3	Unsupported Intangible Assets	Intangible Asset included in the Asset Register	Resolved	
Basis for Conclusion				
1	Irregularities in Software Acquisition and Utilization	The service agreement has been signed , the modules procured are currently being utilized and users trained by the service provider on how to generate reports	Resolved	
2	Non- Compliance with the law on staff ethnic composition	Recruitments aimed at having balanced staff ethnicity	Not Resolved	30/06/2025
3.	Unsupported approvals of	Council to meet and approve all	Not -Resolved	30/12/2025

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	allocation of capitation	capitation allocation		
Basis for conclusion				
1.	Use of Manual Payroll	Payroll currently in the system	Resolved	
2.	Operating without and approved staff establishment and salary structure	Staff establishment included in the strategic plan	Not -Resolved	30/12/2025



Name: Mr. Simon Charles Kivutih
Accounting Officer
Chief Principal/ Council Secretary

Date

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Appendix II: Projects Implemented by Jeremiah Nyaga National Polytechnic

Projects

Projects implemented by the polytechnic Funded by development partners.

Note: Within the year, the polytechnic didn't receive development fund from the government and development partners.

Project title	Project Number	Donor	Period/ duration	Donor commitment	Separate donor reporting required as per the donor agreement (Yes/No)	Consolidated in these financial statements (Yes/No)
1						
2						

Status of Projects completion

	Project	Total project Cost	Total expended to date	Completion % to date	Budget	Actual	Sources of funds
1							
2							
3							

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Appendix III- Inter-Polytechnic Confirmation Letter

Name of transferring Polytechnic: Ministry of Education (State Department for Vocational and Technical Training)

Name of beneficiary Polytechnic: Jeremiah Nyaga National Polytechnic

Confirmation of amounts received by Jeremiah National Polytechnic as at 30th June 2025

Reference Number	Date Disbursed	Recurrent (A)	Development (B)	Total (C)=(A+B)	Remarks
MOE/DTE/CAP/44((33)	23-09-2024	8,642,225		8,642,225	Capitation
MOE/DTE/CAP/SCHO/VOL 37	20-09-2024	1,208,827		1,208,827	Scholarship
MOE/DTE/SCHO/VOL 1 (39)	20-09-2024	15,701,494		15,701,494	Scholarship
MOE/DTE/SCHO/VOL 1(42)	20-09-2024	6,960,205		6,960,205	Scholarship
MOE/DTE/SCHO/VOL 1 (15)	23-09-2024	120,768		120,768	Scholarship
MOE/DTE/SCHO/VOL 1(40)	24-09-2024	4,312,959		4,312,959	Scholarship
MOE/DTE/SCHO/VOL 1(41)	24-09-2024	6,518,425		6,518,425	Scholarship
MOE/DTE/CAP/46(14)	24-02-2025	<u>22,840,425</u>		<u>22,840,425</u>	Capitation
TOTAL		<u>66,305,328</u>		<u>66,305,328</u>	

I confirm that the amounts shown above are correct as of the date indicated.

Head of Accounts Department - Disbursing Polytechnic:

Name Sign Date

Head of Accounts Department - Beneficiary Polytechnic:

Name SIMON C. KIVUTHI Sign  Date.....

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Appendix IV: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		

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Appendix V: Reporting on Disaster Management Expenditure

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments